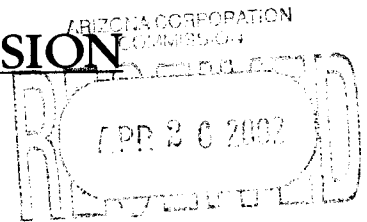


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

H

W-01896A
HOLIDAY WATER COMPANY
P. O. BOX 309
TOMBSTONE AZ 85638-

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

4-29-02 cm

SCANNED

COMPANY INFORMATION

Company Name (Business Name) HOLIDAY ENTERPRISES, INC.
dba: Holiday Water Co.

Mailing Address PO Box 309
(Street)
Tombstone AZ 85638
(City) (State) (Zip)

520 457-3350 520 457-3350
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address PO Box 309
(Street)
Tombstone AZ 85638
(City) (State) (Zip)

520 457 3350 520 457-3350
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: MERLE M. COWAN MANAGER
(Name) (Title)

PO Box 309 Tombstone AZ 85638
(Street) (City) (State) (Zip)

520 457-3350 520 457-3350
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Robert E. Cowan
(Name)

PO Box 309 Tombstone AZ 85638
(Street) (City) (State) (Zip)

520 457-3350 520 457-3350
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☒ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☒ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

Holiday Enterprises, Inc.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises	370. ⁰⁰	95. ⁰⁰	275. ⁰⁰
303	Land and Land Rights	750. ⁰⁰		750. ⁰⁰
304	Structures and Improvements	479. ⁰⁰	479. ⁰⁰	
307	Wells and Springs	5153.33	4615. ⁰⁰	538.33
311	Pumping Equipment	15,703.63	7540. ⁰⁰	8163.63
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	6598. ⁰⁰	6598. ⁰⁰	
331	Transmission and Distribution Mains	64100.48	45991. ⁰⁰	18109.48
333	Services	3340. ⁰⁰	2719. ⁰⁰	621. ⁰⁰
334	Meters and Meter Installations	10715.29	4436. ⁰⁰	6279.29
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	2015.69	1700. ⁰⁰	315.69
341	Transportation Equipment	2000. ⁰⁰	2000. ⁰⁰	
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	111,225.42	76,173. ⁰⁰	35,052.42

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Holiday Enterprises, Inc.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises	370. ⁰⁰	5%	19. ⁰⁰
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	718. ⁰⁰	5%	36. ⁰⁰
311	Pumping Equipment	9404. ⁰⁰	5%	470. ⁰⁰
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	24586. ⁶⁴	5%	1229. ⁰⁰
333	Services	890. ⁰⁰	5%	45. ⁰⁰
334	Meters and Meter Installations	7815. ⁰⁰	5%	391. ⁰⁰
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	632. ⁰⁰	25%	158. ⁰⁰
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	44415. ⁶⁴		2347. ⁰⁰

This amount goes on Comparative Statement of Income and Expense Acct. No. 403

COMPANY NAME

Holiday Enterprises, Inc.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 3157.20	\$ 6288.76
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	4471.13	4787.14
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 7628.33	\$ 11075.90
	FIXED ASSETS		
101	Utility Plant in Service	\$ 110,565.42	\$ 111,225.42
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	< 73,823.00 >	< 76170.00 >
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 36,742.42	\$ 35055.42
	TOTAL ASSETS	\$ 44,370.75	\$ 46131.32

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

Holiday Enterprises, Inc.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 2623.08	\$ 133.51
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	260.00	532.50
236	Accrued Taxes	196.35	423.74
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 3079.43	\$ 1089.75
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 1709.28	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	3767.00	3472.00
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	9750.00	9750.00
272	Less: Amortization of Contributions	<1614.00>	<2102.00>
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 11903.00	\$ 11120.00
	TOTAL LIABILITIES	\$ 16691.71	\$ 12209.75
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 4000.00	\$ 4000.00
211	Paid in Capital in Excess of Par Value	300.00	300.00
215	Retained Earnings	23379.04	29621.57
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 27679.04	\$ 33921.57
	TOTAL LIABILITIES AND CAPITAL	\$ 44370.75	\$ 46131.32

COMPANY NAME

*Holiday Enterprises, Inc.***COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 46,323.49	\$ 48,138.13
460	Unmetered Water Revenue		
474	Other Water Revenues	250.00	340.00
	TOTAL REVENUES	\$ 46,573.49	\$ 48,478.13
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water	294.75	
615	Purchased Power	4812.15	3746.52
618	Chemicals		
620	Repairs and Maintenance	5727.53	1035.88
621	Office Supplies and Expense	933.36	883.42
630	Outside Services	24049.96	30018.43
635	Water Testing	880.00	1226.52
641	Rents		
650	Transportation Expenses	440.15	66.19
657	Insurance – General Liability	1469.23	1181.84
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	1976.00	1859.00
408	Taxes Other Than Income	45.00	54.00
408.11	Property Taxes	2160.88	2334.75
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 42,789.01	\$ 42,406.55
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 201.99	\$ 215.86
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses	54.04	<-56.24>
427	Interest Expense	381.81	101.15
	TOTAL OTHER INCOME/EXP	\$ <233.86>	\$ 170.95
	NET INCOME/(LOSS)	\$ 3550.62	\$ 6242.53

COMPANY NAME

Holiday Enterprises, Inc.

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ _____

Meter Deposits Refunded During the Test Year

\$ _____

COMPANY NAME Holiday Enterprises, Inc.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
39-0002197	20 HP	110 GPM	8"	4"

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
MUTUAL BACKUP/TIE IN		Ø
WITH THE CITY OF Tombstone		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = _____

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
20,000. gallons	1	2000	1

STATISTICAL INFORMATION

Total number of customers	138	
Total number of gallons sold	12,591,070.	gallons

COMPANY NAME Holiday Enterprises, Inc. YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported _____
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Merle M. Cowan
SIGNATURE

4-24-02
DATE

MERLE M. Cowan
PRINTED NAME

manager
TITLE

COMPANY NAME Holiday Enterprises, Inc. YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

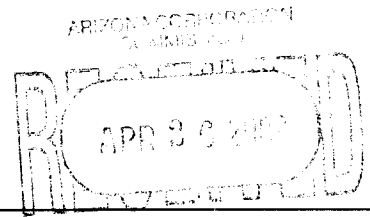
Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 2334.75

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**



VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Cochise</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Merle M. Cowan, manager</u>
COMPANY NAME	<u>Holiday Enterprises, Inc.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 48138.13

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2902.36
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Merle M. Cowan
SIGNATURE OF OWNER OR OFFICIAL
520-457-3350
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 24th DAY OF

(SEAL)

MY COMMISSION EXPIRES May 18, 2003

COUNTY NAME	<u>Cochise</u>	
MONTH	<u>April</u>	<u>2002</u>
<u>Dave M. Bright</u> SIGNATURE OF NOTARY PUBLIC		

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Cochise</u>	
NAME (OWNER OR OFFICIAL) <u>Merle M Cowan</u>	TITLE <u>manager</u>
COMPANY NAME <u>Holiday Enterprises, Inc.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>48138.13</u>

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2902.36
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X Merle M Cowan
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

<u>24th</u>

DAY OF

(SEAL)

MY COMMISSION EXPIRES

may 18, 2003

NOTARY PUBLIC NAME <u>Patti M. Bright</u>	
COUNTY NAME	
MONTH <u>April</u>	<u>2002</u>

X Patti M Bright
SIGNATURE OF NOTARY PUBLIC

NO 01 05

122100024

BANK ONE, ARIZONA, N.A.
PHOENIX, ARIZONA

11/06/01 E2131 P01

11/06/01 E2131 P01

11/06/01 E2131 P01

6464

39690

122100024
THE ORDER OF
BANK ONE 019

05 01

DEPOSIT ONLY
TAM TREASURER &
COCHISE CNTY

01912-40-1004
HOLIDAY WATER COMPANY
HOLIDAY ENTERPRISES, INC.
BOX 309 PH. 520-457-3350
TOMBSTONE, AZ 85638

3161

91-170/1221

PAY
TO THE
ORDER OF

Marsha Bonham, Cochise County Treasurer

\$ 1170.86

One Thousand One hundred Seventy dollars + 86/100

DOLLARS

Bank of America

Tombstone Branch 08425
508 Allen St.
Tombstone, AZ 85638
257 0001 In Phoenix, 1-800-284-8491 Nationwide

FOR

109705

Robert E. Cowan

003161 1221017061

0110061757

0000117086